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| HCCS EDUCATIONAL SYSTEM | ROLL NUMBER | | | | | |
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| **HSSC – I** |  |  |  |  |  |  |
| **P.O. ACCOUNTING – I** |  |  |  |  |  |  |
| **SECTION – A (Marks 20)** |  |  |  |  |  |  |
| **Time Allowed: 25 minutes** |  |  |  |  |  |  |
| **Section – A is compulsory. All parts of this section are to be answered on this page and handed over to the Centre Superintendent. Deleting/ overwriting is not allowed. Do not use lead pencil.**  **حصہ اول لازمی ہے۔ اس کے جوابات اسی صفحہ پر دے کر ناظم مرکز کے حوالے کریں۔ کاٹ کر دوبارہ لکھنے کی اجازت نہیں ہے۔ لیڈ پنسل کا استعمال ممنوع ہے۔** |  |  |  |  |  |  |
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| **PREBOARD EXAMS, 2024** |  |  |  |  |  |  |
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**Student Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Answer Sheet No: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Candidate Sign. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Invigilator Sign: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**ہر سوال کے سامنے دیے گئے، کریکولم کے مطابق درست دائرہ کو پر کریں۔**

**Q1. Fill the relevant bubble against each question according to curriculum:**

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|  | **Questions سوال** | **A** | **B** | **C** | **D** | **A** | **B** | **C** | **D** |
| **1.** | **In financial terms, \_\_\_ is the basis of measurement:** | Transactions | Money | Vouchers | Sales |  |  |  |  |
| **2.** | **The rights possessed by the owner against the assets of business are called:** | Assets | Liabilities | Owner's Equities | Equities |  |  |  |  |
| **3.** | **A summary of transactions relating to a person or thing:** | Account | Accountant | Accounting | Accountancy |  |  |  |  |
| **4.** | **Debit signifies:** | Increase in Asset | Decrease in Liability | Decrease in Capital | All of these |  |  |  |  |
| **5.** | **The book in which transactions are finally recorded is called:** | Journal | Ledger | Trial Balance | Final Accounts |  |  |  |  |
| **6.** | **The ruling of a trial balance is similar to that of:** | Journal | Ledger | Final Accounts | None of these |  |  |  |  |
| **7.** | **The procedure by which a bill is transferred from one person to another person for settlement of debts is called:** | Endorsement | Retirement | Renewal | Discounting |  |  |  |  |
| **8.** | **A bill of exchange drawn to oblige or to give a temporary financial assistance (accommodate) is called:** | Trade Bill | Accommodation Bill | Term Bill | Draft Bill |  |  |  |  |
| **9.** | **The 3rd copy of invoice is called 'delivery note' and the 4th copy of invoice is called:** | Advice Note | Inward Invoice | Outward Invoice | None |  |  |  |  |

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| **10.** | | **The periodical total of purchases book is posted to the:** | Dr. of Purchases A/C | Cr. of Purchases A/C | Cr. of Cash A/C | | Dr. of Sales A/C | |  |  | |  | |  | |
| **11.** | | **Which entries are not required to be posted in the ledger:** | | Simple Entry | Compound Entry | Contra Entry | All | |  | | |  | |  | |  |
| **12.** | | **A copy of the customer's account in the bank's ledger is called:** | | Cheque Book | Pay in Slip | Pass Book | None | |  | | |  | |  | |  |
| **13.** | | **Which entries are recorded in proper journal:** | | Opening Entries | Transferring Entries | Residuary Entries | All of these | |  | | |  | |  | |  |
| **14.** | | **Profit and loss appropriation A/C is not prepared in:** | | Non-trading Concern | Sole Tradership | Partnership | Both A & B | |  | | |  | |  | |  |
| **15.** | | **The closing stock is valued at:** | | Cost Price | Market Price | Cost or Market Price whichever is lower | Cost or Market Price whichever is higher | |  | | |  | |  | |  |
| **16.** | | **Income tax paid is a:** | | Business Expense | Personal Expense | Direct Expense | Indirect Expense | |  | | |  | |  | |  |
| **17.** | | **Adjusting entries affect:** | | Income Statement | Worksheet | Balance Sheet | All | |  | | |  | |  | |  |
| **18.** | | **The margin that is available to cover the other expense for a period and to yield net income is called:** | | Net Profit | Gross Profit | Net Sales | Cost of Goods Sold | |  | | |  | |  | |  |
| **19.** | | **A revenue expenditure, the benefit of which is not confined to more than one accounting year is called:** | | Revenue Expenditure | Capital Expenditure | Capitalized Expenditure | Deferred Revenue Expenditure | |  | | |  | |  | |  |
| **20.** | | **Errors of carry forward will affect:** | | Personal Accounts | Nominal Accounts | Im-personal Accounts | Real Accounts | |  | | |  | |  | |  |

** HCCS Educational System**

**(PRE – BOARD EXAM, 2024)**

**PRINCIPLES OF ACCOUNTING**

**(HSSC – I)**

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| --- |
| **Time allowed: 2:35 Hours Total Marks Section B and C: 80** |
| **Note: Section B and C comprises of page 1-2 and questions therein are to be answered on separate answer sheets. Answer any ten parts from section B, one question from section C (Part I) and three questions from section C (Part II). Write your answer neatly and legibly.** |

**SECTION-B (Marks 30)**

**Q2. Attempt any TEN questions. The answer to each part should not exceed 3 to 4 lines. (03x10=30)**

|  |  |
| --- | --- |
| **i. 1.** | Why Ledger is called ‘King of all books of Accounts’? |
| **ii.** | Show the complete stages of ‘Accounting Cycle’. |
| **iii.** | Pass the Adjusting entry for ‘Prepaid Expenses’. |
| **iv.** | Make a difference between ‘Capital Expenditure’ and ‘Revenue Expenditure’. |
| **v.** | Define: A. Cash Discount. B. Dual Aspect Concept. |
| **vi.** | Define: A. Equity. B. Double Entry System. |
| **vii.** | Define: A. Narration. B. Trial Balance. |
| **viii.** | Define: A. One Sided Errors. B. Suspense Account. |
| **ix.** | Define: A. Rebate. B. Noting Changes. |
| **x.** | Define: A. Debit Note. B. Closing Entries. |
| **xi.** | Define: A. Imprest System. B. Un-credited Cheques. |
| **xii.** | Define: A. Worksheet. B. Cost of Goods Sold. |

**SECTION C (PART-I)**

**Attempt any ONE Question (20 MARKS)**

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| **Q3. 1.** | **The following trial balance was extracted from the books of Mr. Rahim as on 31-12-2022:** | | |
| |  |  |  |  | | --- | --- | --- | --- | | **Particulars** | **Dr (Rs.)** | **Particulars** | **Cr (Rs.)** | | Opening stock | 58,000 | Capital | 100,000 | | Building | 100,000 | Sales | 421,000 | | Purchases | 286,000 | Creditors | 120,000 | | Debtors | 139,600 | Purchases returns | 18,000 | | Sales returns | 36,000 | Interest | 3,000 | | Carriage inward | 6,000 |  |  | | Carriage outward | 8,000 |  |  | | Salaries | 16,000 |  |  | | Furniture | 8,000 |  |  | | Cash at bank | 5,000 |  |  | | **Total** | **662,000** |  | **662,000** | | | | |
| **ADJUSTMENTS:** | | | 1. Closing stock Rs 81,000. 2. Building is depreciated at 5% p.a. & furniture at 10% p.a. 3. Interest receivable Rs 50. 4. Prepaid salaries Rs 2,000. |
| **REQUIRED:** | | | From the above particulars, pass adjusting entries. Prepare income statement & a balance sheet (in report form) of Mr. Rahim as on 31-12-2022. |
| **OR** | | | |
| **Q4.** | **From the following particulars, write up a treble column cash book of Mr. Nasim for the month of May 31st 2022: (20 MARKS)** | | |
| 2022 May 01: | | Cash at office safe Rs 40,000 bank overdraft Rs 30,000. | |
| 2022 May 03: | | Cash sales at a cash discount of 2% for Rs 9,000. | |
| 2022 May 05: | | Bought goods for cash at 5% trade discount Rs 18,000. | |
| 2022 May 08: | | Received a cheque from M. Farooq for Rs 19,300 in full settlement of his dues Rs 20,000. | |
| 2022 May 11: | | Paid to Zulfiqar cash Rs 10,000 & a cheque for Rs 9,400 in full settlement of his account Rs 20,000. | |
| 2022 May 14: | | Deposit Farooq's cheque into the bank account. | |
| 2022 May 15: | | Received cash from Kalim Rs 9,800 in full Clearance of his dues of Rs 10,000 and paid into the bank. | |
| 2022 May 17: | | Paid cash to Adnan Rs 3,900 for purchase of a car. | |
| 2022 May 25: | | Bank credited interest Rs 1,000. | |
| 2022 May 30: | | Bank debited Bank commission Rs 1,400. | |
| 2022 May 31: | | Withdrawn from bank:  For Personal use: Rs 20,000.  For Office use: Rs 18,000. | |

**SECTION C (PART-II)**

**Attempt any THREE Questions (10x03=30)**

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| **Q5. 1.** | | **For mutual accommodation, A draws a bill on B for Rs 10,000 at 2 months which is accepted by B. On the same date B draws a bill on A for a similar amount at 2 months. Both the parties get their bills discounted by their respective Banks at 12% p.a. On the due date both the bills are honoured. (5+5=10)** | | | |
| **REQUIRED:** | | | | Give journal entries in the books of A & B. | |
| **Q6.** | | **On 30th June 2017, the cash book of Mr. Zubair showed an overdraft balance of Rs 32,000 which did not agree with the balance as per bank statement. On comparing the two books, the following discrepancies were noted down: (10 marks)** | | | |
| **1.** | Cheques for Rs 8,000 paid into bank for collection on 28th June 2017 have not yet been collected. | | | | |
| **2.** | Cheques for Rs 6,000 issued on 26th June 2017 have not yet been presented for payment. | | | | |
| **3.** | An amount of Rs 1,200 for interest on overdraft was debited in the passbook but was intimated to M. Zubair on 2nd July 2017. | | | | |
| **4.** | Mr. Zubair paid into his bank account in cash an amount of Rs 4,000 but it was wrongly credited to Mr. Yousaf's account. | | | | |
| **5.** | Collection charges of Rs 28 were entered in the passbook only. | | | | |
| **6.** | On 30th June 2017 Bank received interest of Rs 30,000 from a company on Mr. Zubair's deposits with that company. | | | | |
| **REQUIRED:** | | | | You are required to find out the bank balance shown by bank as per the passbook. | |
| **Q7.** | | **Show by giving reasons whether the following items of expenditure are capital or revenue:**  **(10 marks)** | | | |
| **1.** | Rs 50,000 paid to the government on excise duty. | | | | |
| **2.** | Spent Rs 50,000 in the construction of railway sidings. | | | | |
| **3.** | Cost of registration of newly formed limited company. | | | | |
| **4.** | Amount of Rs 2,000 was paid on compensation to a discharged employee. | | | | |
| **5.** | Legal expenses incurred in raising a debenture loan. | | | | |
| **Q8. (a)** | | | **Write a transaction that will: (06 marks)** | | |
| **1.** | Increase a liability & Increase an asset? | | | | |
| **2.** | Increase an asset & Increase proprietorship? | | | | |
| **3.** | Decrease an asset & Decrease an owner's equity? | | | | |
| **4.** | Decrease an asset & Increase an asset? | | | | |
| **5.** | Increase an asset & Increase a liability? | | | | |
| **6.** | Decrease an asset & Decrease a liability? | | | | |
| **Q8. (b)** | | | **Enter the following transactions in the purchases return journal (book) of Mr. Ali: (04 marks)** | | |
| **05 Jan 2017:** | | | | | **Returned to Sunshine biscuits Co;** |
|  | | | | | 10 cases of biscuits @ Rs 125/case for damage in transit. |
| **18 Jan 2017:** | | | | | **Returned to Salman stores;** |
|  | | | | | 3 bags of sugar @ Rs 500/bag for not according to order. |
| **26 Jan 2017:** | | | | | **Returned to Punjab flour Mills;** |
|  | | | | | 10 bags @ Rs 200/bag for not according to specifications, less discount of 5%. |